

DISTRIBUTION AND SALES AGREEMENT

THIS AGREEMENT is made and entered into as of November 29, 1997, by and between SAMYANG FOODS CO., LTD., a Korean corporation which has its principal place of business at 82-9 Hawolgok 1-dong, Sungbuk-ku, Seoul, Korea ("SAMYANG KOREA") and SAMYANG U.S.A., INC., a California corporation, which has its principal place of business at 1935 Via Arado, Rancho Dominguez, CA 90220 ("SAMYANG U.S.A").

RECITALS

A. SAMYANG KOREA manufactures and sells food items including instant noodles under various brand names. SAMYANG U.S.A. has marketed SAMYANG KOREA'S products and has manufactured its own instant noodles. SAMYANG KOREA has provided technology, equipment and raw materials to SAMYANG U.S.A for the latter's manufacturing in the United States.

B. The two companies desire to memorialize their relationship and their way of conducting business to ensure continuity of their mutually beneficial business relationship.

AGREEMENTS

NOW, THEREFORE, in consideration of the agreements, provisions, promises and covenants herein set forth, SAMYANG KOREA and SAMYANG U.S.A agree as follow:

1. DISTRIBUTORSHIP.

SAMYANG KOREA hereby appoints SAMYANG U.S.A its exclusive distributor of all of SAMYANG KOREA'S products currently marketed or to be marketed in the future (the "Products") in North America including the United States, Canada and Mexico (the "Territories") and SAMYANG U.S.A hereby accepts such appointment from SAMYANG KOREA. The "Products" shall include all finished goods, raw materials, accessories and condiments that may go with such products. SAMYANG KOREA shall make all of its technology, equipment and process related to the Products currently in use or to be used in the future to SAMYANG U.S.A. SAMYANG KOREA shall provide technical and personal assistance relating to the Products if SAMYANG U.S.A requests. SAMYANG KOREA shall not appoint any other exclusive distributorship or grant any of the rights granted to SAMYANG U.S.A hereunder in the Territories. SAMYANG KOREA shall not directly or indirectly manufacture or sell any of the Products into the Territories except through SAMYANG U.S.A.

2. PURCHASE.

SAMYANG KOREA shall sell to SAMYANG U.S.A. the Products at the price and on terms and conditions most favorable to the largest distributor. It is the intention of the parties that the prices to be charged to SAMYANG U.S.A. and the terms for the payments shall be maintained at the current levels except that SAMYANG KOREA may adjust the price to reflect the fluctuations of the costs of manufacturing or purchasing by SAMYANG KOREA. SAMYANG KOREA shall not arbitrarily increase the prices of the Products it charges to SAMYANG U.S.A. or change the payment terms. SAMYANG KOREA shall use its best efforts to fill the orders from SAMYANG U.S.A. and ship the Products in accordance with the schedule specified in the purchase orders.

3. INTELLECTUAL PROPERTY

SAMYANG KOREA hereby grants an irrevocable license to SAMYANG U.S.A the rights to use all of SAMYANG KOREA'S trademarks, trade names, brand names, trade dresses, logos, designs, packaging and copyrights pertaining to the Products currently in use or to be used in the future (the "Intellectual Property Rights") without charges. SAMYANG KOREA shall assign SAMYANG U.S.A any and all Intellectual Property Rights registered in the United States or any states authorities in the U.S. including, but not limited to, trademark registration for the name and logo of "Samyang."

4. TERM

The initial term of the distributorship hereunder shall be 50 years. The term shall be automatically renewed for another 50 years thereafter.

5. Miscellaneous Provisions.

(a) Notices.

No notice, document or communication to be given hereunder to any party shall be effective for any purpose unless personally delivered to the person at the appropriate address set forth in the beginning or when delivered by mail, sent by registered or certified mail, postage prepaid, addressed to the recipient's address set forth above.

(b) Construction.

This Agreement shall be construed as a whole in accordance with its fair meaning, the captions being for the convenience of the parties only and not intended to describe or define the provisions in the portions of the Agreement to which they pertain.

(c) Attorneys' Fees.

In the event of any controversy, claim or dispute between the parties arising out of or relating to this Agreement, or the enforcement of the provisions hereof, the prevailing party shall be entitled to recover its costs and expenses, including, but not limited to, reasonable attorneys' fees incurred in connection therewith.

(d) Severability.

If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

(e) Governing Law.

This Agreement is to be governed by, interpreted under, and construed in accordance with the laws of the State of California.

(f) Counterparts.

This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above set forth, at Los Angeles, California.

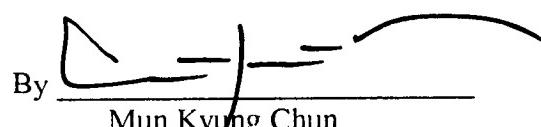
SAMYANG KOREA :

SAMYANG FOODS CO., LTD.
A Korean corporation

By 
Name :
Title :

SAMYANG U.S.A. :

SAMYANG U.S.A., INC.
A California corporation

By 
Mun Kyung Chun
President